



Resverlogix Announces US\$6 Million Debenture Financing

CALGARY, Alberta, May 05, 2021 (GLOBE NEWSWIRE) -- Resverlogix Corp. ("Resverlogix" or the "Company") (TSX: RVX) today announces that it has entered into an investment agreement with a subsidiary of Shenzhen Hepalink Pharmaceutical Group Co., Ltd. ("Hepalink") which provides for Hepalink to purchase 10% secured convertible debentures of the Company in the aggregate principal amount of US\$6 million (the "Debentures") for a purchase price equal to the principal amount of the Debentures (the "Debenture Financing").

The Debentures will bear interest at a rate of 10% per annum and mature one year from the first closing date of the Debenture Financing. Hepalink may elect to convert the principal amount of the Debentures and accrued and unpaid interest thereon into common shares of the Company at a conversion price equal to the lesser of CAD\$0.93 per share and the 5-day volume weighted average trading price of the common shares on the date of conversion. The Company has agreed to grant Hepalink a security interest in all of its assets, including its patents and other intellectual property, as security for its obligations under the Debentures. In addition, Hepalink will receive an aggregate of 300,000 common share purchase warrants exercisable for a period of four years from the first closing date of the Debenture Financing at a price of CAD\$0.93 per share (the "Warrants").

The completion of the Debenture Financing is subject to satisfaction of customary conditions for a transaction of this nature, including the approval of the Toronto Stock Exchange. The Company plans to complete the Debenture Financing by issuing the Debentures and Warrants to Hepalink in two equal tranches, with the first tranche scheduled to be completed upon satisfaction of all closing conditions in the next three days and the second tranche to be completed by May 31, 2021.

The Company has a total of 238,766,021 common shares issued and outstanding. Hepalink holds 85,286,524 common shares and 11,466,619 common share purchase warrants which represents 35.72 percent of the common shares outstanding before giving effect to any outstanding warrants and 38.67 percent of the outstanding common shares assuming the exercise by Hepalink of its warrants. After giving effect to the Debenture Financing, in the event of conversion of the principal amount of the Debentures at a price of CAD\$0.93, Hepalink would hold 37.78 percent of the common shares outstanding before giving effect to any outstanding warrants and 40.62 percent of the outstanding common shares assuming the exercise by Hepalink of its warrants.

The net proceeds of the Debenture Financing will be used to fund research and development activities, including but not limited to, clinical trial activities, general and administrative expenses, working capital needs and other general corporate purposes.

The subscription for the Debentures and Warrants by Hepalink is a related party transaction within the meaning of applicable Canadian securities laws as Hepalink is an insider of the Company. The subscription by Hepalink is exempt from the formal valuation and minority approval requirements applicable to related party transactions on the basis that the value of the transaction insofar as it involves a related party is less than 25 percent of the Company's market capitalization.

About Resverlogix

Resverlogix is developing apabetalone (RVX-208), a first-in-class, small molecule that is a selective BET (bromodomain and extra-terminal) inhibitor. Apabetalone is the first therapy of its kind to have been granted US FDA Breakthrough Therapy Designation – for a major cardiovascular indication – to help facilitate a time-efficient drug development program including planned clinical trials and plans for expediting the manufacturing development strategy.

BET inhibition is an epigenetic mechanism that can regulate disease-causing genes. Apabetalone is a BET inhibitor selective for the second bromodomain (BD2) within the BET proteins. This selective inhibition of apabetalone on BD2 produces a specific set of biological effects with potentially important benefits for patients with high-risk cardiovascular disease, diabetes mellitus, chronic kidney disease, end-stage renal disease treated with hemodialysis, neurodegenerative disease, Fabry disease, peripheral artery disease and other orphan diseases, while maintaining a well described safety profile.

Resverlogix common shares trade on the Toronto Stock Exchange (TSX:RVX).

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This news release may contain certain forward-looking information as defined under applicable Canadian securities legislation, that are not based on historical fact, including without limitation statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. In particular, this news release includes forward looking information related to the Debenture Financing, including the terms of the Debenture Financing, the completion of the Debenture Financing and the use of proceeds therefrom, and the potential role of apabetalone in the treatment of patients with high-risk cardiovascular disease, diabetes mellitus, chronic kidney disease, end-stage renal disease treated with hemodialysis, neurodegenerative disease, Fabry disease, peripheral artery disease and other orphan diseases. Our actual results, events or developments could be materially different from those expressed or implied by these forward-looking statements. We can give no assurance that any of the events or expectations will occur or be realized. By their nature, forward-looking statements are subject to numerous assumptions and risk factors including those discussed in our Annual Information Form and most recent MD&A which are incorporated herein by reference and are available through SEDAR at www.sedar.com. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement and are made as of the date hereof. The Company disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.